COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BARKLEY LAKE WATER)
DISTRICT FOR APPROVAL OF A PROPOSED) CASE NO. 2003-00042
INCREASE IN RATES FOR WATER SERVICE)

ORDER

On February 25, 2003, Barkley Lake Water District (Barkley Lake) filed its application for Commission approval of its proposed water rates. The proposed rates would generate additional annual revenues of \$247,749, an increase of 17.54 percent above normalized revenues.

By Order dated April 8, 2003, the Commission issued a Staff Report that was prepared upon review of Barkley Lake's test-year operations. Staff's report recommended that the requested increase be granted. The Order granted 10 days to file written comments regarding the Staff Report or requests for a hearing or informal conference. No such comments or requests were made.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

- 1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.
- 2. The rates in Appendix A will produce annual revenue from water service of \$1,660,110.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated

by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by Barkley

Lake on and after the date of this Order.

3. Within 30 days of the date of this Order, Barkley Lake shall file with the

Commission its revised tariff setting out the rates approved herein.

4. Three years from the effective date of this Order, Barkley Lake shall file

an income statement, along with any pro forma adjustments, in sufficient detail to

demonstrate that the rates approved herein are sufficient to meet its operating

expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 29th day of April, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00042 DATED April 29, 2003

The following rates and charges are prescribed for the customers in the area served by Barkley Lake Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

Customer Charge

Meter Size	Monthly Charge	
5/8	\$ 5.75	
1	8.45	
1 ½	13.00	
2	22.00	
4	49.20	

Water Usage

First	100,000	\$5.40	per 1,000 gallons
Next	400,000	4.20	per 1,000 gallons
Over	500,000	3.00	per 1,000 gallons